

98-84369-24

Haupt, Ottomar

Bi-metallic England

Paris

1882

98-84369-24

MASTER NEGATIVE #

COLUMBIA UNIVERSITY LIBRARIES
PRESERVATION DIVISION

BIBLIOGRAPHIC MICROFORM TARGET

ORIGINAL MATERIAL AS FILMED - EXISTING BIBLIOGRAPHIC RECORD

332.42
Z
v.4 Haupt, Ottoman 1839-
Bi-metallic England, by Ottomar Haupt ... Paris,
J. Lecuir et c^e; [etc., etc.] 1882.
32 p. 23^{cm}.

Vol. of pamphlets.

1. Bimetallism—Gt. Brit.

Library of Congress HG942.H3 6-42720

RESTRICTIONS ON USE: Reproductions may not be made without permission from Columbia University Libraries.

TECHNICAL MICROFORM DATAFILM SIZE: 35mmREDUCTION RATIO: 10:1IMAGE PLACEMENT: IA IIA IB IIBDATE FILMED: 3-11-98INITIALS: PBTRACKING #: 32414

FILMED BY PRESERVATION RESOURCES, BETHLEHEM, PA.

BIBLIOGRAPHIC IRREGULARITIES

MAIN ENTRY: Haupt, Ottomar.....

Bi-metallic England.....

Bibliographic Irregularities in the Original Document:

List all volumes and pages affected; include name of institution if filming borrowed text.

____ Page(s) missing/not available: _____

____ Volume(s) missing/not available: _____

____ Illegible and/or damaged page(s): _____

____ Page(s) or volume(s) misnumbered: _____

____ Bound out of sequence: _____

____ Page(s) or volume(s) filmed from copy borrowed from: _____

X _____ pagination: [I]-[2]; III-VI; [7]-32

____ Other: _____

____ Inserted material: _____

TRACKING#: MSH32414

P211
112

No. 3

LIBRARY OF
THE
SOCIETY OF AMERICAN HISTORIANS
62 William St., New York.

BI-METALLIC ENGLAND

BY

OTTOMAR HAUPT

AUTHOR OF "GOLD ODER SILBERWÄHRUNG"
"LA RÉHABILITATION DE L'ARGENT"
GOLD, SILBER, UND WÄHRUNG, ETC.

"Monetary questions are, without exception, practical questions and should, in my opinion, not only not be decided, but not even approached and discussed, except after the study of the facts and of their relations."

LEON SAY, President of the Monetary Conference of 1878.



PARIS

LIBRAIRIE MODERNE, J. LECUIR ET C^e
17, BOULEVARD MONTMARTRE, 17

LONDON

EFFINGHAM WILSON, ROYAL EXCHANGE

1882

(All Rights Reserved.)

LIBRARY OF
THE REFORM CLUB
SOUND CURRENCY COMMITTEE.
67 William St., New York.

BI-METALLIC ENGLAND

BY

OTTOMAR HAUPT

AUTHOR OF "GOLD ODER SILBERWAHRUNG"
"LA RÉHABILITATION DE L'ARGENT"
GOLD, SILBER, UND WAHRUNG, ETC.

"Monetary questions are, without exception, practical questions and should, in my opinion, not only not be decided, but not even approached and discussed, except after the study of the facts and of their relations."

LEON SAY. President of the Monetary Conference of 1878.



PARIS
LIBRAIRIE MODERNE, J. LECUIR ET C^e
17, BOULEVARD MONTMARTRE, 17

LONDON
EFFINGHAM WILSON, ROYAL EXCHANGE

1882

(All Rights Reserved.)

PREFACE

At first sight it may appear strange indeed that a treatise on the double standard in England should be written *out of the country*. To all intents and purposes, it will be argued, the author wished to address an exclusively *English* public, and to try the force of what he has to say on the subject only with them, as otherwise he would not have located the entire scene of action to this country, but would only have paid us a passing visit when discussing the question from a general point of view. The local colour, in one word, will be thought to be more or less wanting, for that simple reason that a foreigner cannot be supposed to have a full hold on a matter referring to a country which he does not inhabit and which he has to treat in a language that is not his own.

The reproach, most likely, will be made, and it is well, therefore, to meet it here at once. All that I have to say on this occasion may be resumed in the few words, that I have been living many years in England, during which time I have given to the matter the greatest attention, while my stay in other countries has been employed equally profitably in the study of the currency question abroad. In this way, I have been able to get an insight, so to say, on the spot, into the working of the different monetary systems, and to become fami-

liar with their merits and their faults. To me it appears that the one based upon bi-metallism is by far the best, the more so as it offers the only chance of securing to silver, which at all times and in all countries has in one or the other form been the partner of gold, the faculty to serve as full-valued money.

This fact must not be lost sight of by all those who approach the subject. Consider the currency question in whatever light you like, and you will and must come to the conclusion that in this lies the whole future of the white metal, which ceases to be money, indeed, if universal bi-metallism cannot be established. Do not think that the lethargy, the utter stagnation the question has got into through a concourse of circumstances, taken singly, of no great moment, but in their working together, of a decisive action, will last long. A mere nothing, an unfavourable rate of exchange, the raising of the rate of discount, nay, the very desire of any of the leading countries to move single-handed in the matter, must precipitate things.

Up to now, the demand for the coinage of Bland dollars, the purchases of Servia, Roumania, and Spain, coupled with the keeping open of the Austrian Mints for Government account, have maintained the price of silver upon a certain level. On the other hand, the shipments of bar silver to the East are now less important than what they formerly were. Austrian florins have, lately, often been had recourse to, and, year by year, gold takes, to a certain extent, the place of silver for the same purpose. This is not as it should be. Even the little States in Europe cannot go on issuing over-valued silver pieces of the five-franc type, and the rate of the foreign exchange in Vienna may

continue to favour the export of florins to the East in preference to English silver.

In one word, the position of the white metal is endangered—gravely endangered. On the Continent, people feel this, and try to devise means for its rehabilitation, in order to avoid a catastrophe, a regular collapse. To England they look for aid. Their interest is hers as well; she will enjoy the benefit of a combined action just as much as any other nation, nay—as I am going to prove—even more. Should she refuse, things must take their course, and then, England, beware that

thy own swords

Are not turned in thy own proper entrails!

OTTOMAR HAUPT.

PARIS, MAY 30TH, 1882.

13, RUE AUBER.

BI-METALLIC ENGLAND

In the present state of the bi-metallic question when, so to say, all parties have been heard, and all the *pros* and *cons* of the case weighed and discussed over and over again, the value of a fresh pamphlet on the subject may appear doubtful, and yet we are of opinion that there is still room for it. The fact of the matter is that the *practical* side of the question seems, so far, not to have been exhausted, and the principal point to be arrived at—the actual working of bi-metallism in England in our days—has, to our knowledge, never been touched upon in a tangible way. What we possess, is a mass of literature of an abstract kind in which the discussion on standard, on money, on currency, on value, and so on, play the main part and are mostly treated in such a complicated way, that the reader loses himself entirely in the niceties of political economy, if he does not even get puzzled by the theories advanced by the one or the other school,* and stated at times not exactly in a clear manner. Considerations of this sort, no doubt, have mostly contributed to the fact that the cause of bi-metallism has made no greater progress in England than was to be expected, in face of the agitation set on foot since some good time already, and to this very circumstance we attribute, in truth, the small interest shown in the question nowadays in the commercial circles of the leading cities.

* A striking proof of the divergent manner in which the matter is treated by the economists of our days is found in Mr. Bonamy Price's remarkable work, *Practical Political Economy*. "It may," says the well known Professor at the Oxford University, "almost be said that every man contradicts every other man about money, about what money is and what it is not, what it can, and what it cannot do. In no other subject which occupies the thoughts of men does anything approaching the same disorder exist."

To us, this is a regular business affair which ought to be treated by business-men, aided of course by the council of economists. In other words, the question ought to be divested of its scientific character, or rather of its—mostly artificial—accessories; for it is a great error to think, that science has nothing to do with bi-metallism, or even, as certain English writers openly declare, is diametrically opposed to it. Nothing is more fallacious than such an idea, and yet it does appear to us that in England, especially, the public are only too apt to cling to it and to base thereon the rejection of the principles in general, unheeding of what has been said by competent men to the contrary.

Is it not a singular instance rather too contemptuously ignoring all that has been written by men like Wolowski, Laveleye, Cernuschi, Wagner, Schæffle, Lexis, and others on the excellency of the bi-metallic system, when Lord Sherbrooke begins his study, *What is Money*, in the *Nineteenth Century*, as follows: "The wisest course which can be taken with popular delusions is very often found to be to treat them like raging waves of the sea and let them foam out their own shame." Thank you, my lord, for the compliment paid on this occasion to French and German science, of which probably you never have heard anything, although you, ought to have known, that for about 70 years France, Belgium, Holland, and a host of other countries lived and prospered exceedingly well under a system for which you have no other word than *delusion*.

We seize this opportunity to dwell a moment upon the passages of the principal writers on political economy whom the noble lord might have studied with advantage before he ought to have ventured on a subject absolutely out of his reach and of too serious a nature to be simply made sport with—to dwell on passages, we say, having reference to bi-metallism. If we use in this pamphlet the term *bi-metallism*, it is of course understood that we mean "universal bi-metallism" by it, because partial bi-metallism is indeed a thing dangerous in itself, apt to prove unsuccessful in the long run and, according to our ideas, to be avoided altogether, as we shall prove later on. Subjoined are to the quotations alluded to:—

Mr. Roscher, the famous professor who founded a school of economists in Germany, writes in one of his principal works as follows:—

"Ich betrachte die Einführung des Goldes als ausschliessliche Basis gesetzlicher Zahlungen für ein Unglück. Bei gemischten Zahlungsmitteln werden die Schwankungen der Preise weniger fühlbar sein, als bei einer einfachen Währung."

You hear, my lord! the adoption of gold alone is called here a downright *disaster*, an expression adopted since Roscher, many, many years ago, used it, by nearly all the leading bi-metallists.

Here is what the German professor Rau has to say on the subject:—

"Ich billige es vollkommen, wenn versucht wird, die Verbannung des Silbers zu verhindern und wenn man ein Bild der ärgertlichen Folgen entwirft, welche eine derartige Maassregel nach sich ziehen müsste. Bedenken und Rücksichten ganz derselben Art haben mich veranlasst, die Einführung der einfachen Goldwährung zu misbilligen."

This was written in 1868, when the first fury of introducing the single gold standard began.

Prince-Smith, a name very familiar with English economists indeed, wrote, a few years later:—

"Die Schwankungen im Werthe der Zahlungsmittel verschwinden, je mehr der Vorrath derselben sich vergrössert. Gold und Silber zusammen sind somit weniger den Schwankungen ausgesetzt, als jedes derselben einzeln genommen."

All this, it may be said, is very well, but the principal economist, Germany is, with us in England, supposed to have, Mr. Soelbeer, of Göttingen, what has he to say on the subject? Well, he is by no means opposed to universal bi-metallism, as the following quotation fully shows:—

"Der gleichberechtigte Gebrauch von zweierlei Arten Zahlungsmittel hat stets den glücklichsten Einfluss auf die Gesammtheit der volkswirtschaftlichen Interessen ausgeübt, indem dadurch der plötzlichen und enormen californischen und australischen Goldproduction gegenüber ein wirksames Gleichgewicht hergestellt wurde."

The first phrase of the passage referring to the "equally authorised use of two sorts of means of payment" is too clear to admit of misinterpretation, and whatever may have been asserted to the contrary, *Mr. Soetbeer* does by no means object to the introduction of universal bi-metallism.

We could multiply the instances where the desirability, nay, even the necessity of the establishment of the bi-metallic system is proved; we might cite pages and pages of the excellent works of, first and foremost, *Cernuschi*, to whom the lion's share in the defence of the double standard is due; of *Laveleye*, the eminent professor of political economy at Liège, who, with a rare force and talent upholds, since ten years, the struggle against the gold party; of *Dr. Arendt*, one of the best writers on the subject in Germany; of *professor Wagner*, of *Levis*, of *Schaeffle*, and others; but we stop short here, as in England, doubtless the opinion of an Englishman would carry greater weight with it than foreign citations.

Unfortunately, English literature, although extremely rich in books on political economy, does not, as yet, possess a complete work on the currency question as it presents itself in our time. Apart what is written on the subject in the late *Mr. Seyd's* works, it has, properly speaking, only been treated in pamphlets and newspaper articles. Foremost in the ranks of modern writers in favour of bi-metallism we find *Mr. Gibbs*, whose excellent treatise on the double standard may truly be considered as having broken the ice; *Mr. Grenfell*, the present Governor of the Bank of England, who has lately published in the *Nineteenth Century* an essay on the question, in which Lord Sherbrooke's doctrines are shattered to pieces, and which has greatly been noticed in German and French scientific circles; *Mr. Langley*, who read before the Statistical Society of Manchester, not long ago, a paper drawn up with great force of reasoning, and advocating the adoption of an international agreement with other countries to establish a bi-metallic system at the ratio of 1 to 15 1/2; *Mr. Cazetel*, whose numerous publications on the double standard bear witness to a profound knowledge of all matters appertaining to the question;

Mr. Tidman, the last in the field, whose efforts have principally been directed towards destroying widespread errors and making the matter accessible to the masses. Other writers, equally talented and equally successful might be cited, but we prefer to hear a man speak who, although not an acknowledged bi-metallist, wrote exceedingly to the point when, in his book, *Money*, he pronounced himself on the question in the following way:—

"In the first place, I have no doubt whatever that M. Wolowski is theoretically quite correct in what he says about the compensatory action of the double standard system. English writers seem completely to have *misunderstood* the question, asserting that the system exposes us to the extreme fluctuations of both metals. Nor is this the *whole error of English writers*. A little reflection must show that Wolowski and Courcelle-Seneuil are quite correct in urging that a compensatory, or, I should prefer to call it, *equilibratory* action, goes on under the French currency law and tends to maintain both gold and silver more steady in value than they would otherwise be. Imagine two reservoirs of water, each subject to independent variations of supply and demand. In the absence of any connecting pipe, the level of the water in each reservoir will be subject to its own fluctuations only. But if we open a connection, the water in both will assume a certain mean level, and the effect of any excessive supply or demand will be distributed over the whole area of both reservoirs. The mass of the metals, gold and silver, circulating in Western Europe in late years is exactly represented by the water in these reservoirs, and the connecting pipe is the French law of the 7th Germinal, An XI., which enables one metal to take the place of the other as an unlimited tender."

Enough of quotations! Let us return to our subject. Those who are not convinced of the fact that bi-metallism can stand on its own legs, and that the action of a double standard—spread, let it be well understood, over a large territory, or, as we wish to have it, adopted by *all the leading European nations* and by the *United States of America*—is fully in harmony with the existing

economical laws, and must lead to satisfactory results, simply wish to shut their eyes on purpose. To them we address ourselves no longer, but those who have followed us up to now will go, we hope, over the old ground with a view to come to a clear notion of the situation *England* would find herself in, if she were, by her own free will or through sheer necessity to become bi-metallic.

In discussing this eventuality, it is unfortunately not possible to avoid certain questions having entirely reference to figures with which everybody, even every business man, can not be said to be familiar. There is still more. In order to understand the working of the new system thoroughly, the reader will be obliged to follow us into the complicated machinery of *arbitrage-business*, as only thereby the system can be put to the test. For—and this is the principal point of the whole question—it is not the creation of an *internal* silver coin, whose contact with the foreign currencies may easily be protected by a trick of the Mintmaster, similar to that practised with regard to the fractional currency, that is contemplated; by no means. The coinage of a *national* silver piece is aimed at with full legal tender force at home, and struck at the exact parity, according to international arrangements, with a number of silver coins of the same type of other countries. In other words, the creation of current silver money in England, circulating side by side with gold, the one exchangeable at any moment and without any restriction whatever against the other, is sought after, and the question is now to discover what the position at home and especially abroad of such silver money would be, and whether, above all, the future monetary system of the country might not be exposed to certain disadvantages, always sure to present themselves if the slightest defect in the legislative measures to be adopted in that direction can be detected. For in all ages, even the smallest inaccuracies in the coinage of the different monies have given rise to certain transactions which, sometimes of no consequence whatever, at others dealing a regular deathblow to the system in question, must, at all events *at present*, be avoided, as the peculiar position the white metal finds itself in this time requires

a very careful handling indeed, at all events, as long as the transition from one standard to the other lasts.

The caution we display in approaching the delicate subject of the adoption of bi-metalism in England will no doubt be appreciated by all those who feel not quite sure as to what the ultimate result of the experiment may be. As far as the country itself is concerned, everybody we think, will agree with us that the change would not be very great. All that would have to be done would be to strike a four or five shilling piece of a weight and fineness of which we shall have to speak later on. This coin would henceforth be legal tender up to any amount. Maybe that the public would not like the piece much, especially in the beginning; that on account thereof, and to make room for its circulation, a certain amount of fractional currency would have to be withdrawn, and that even other measures would become necessary. This is of no moment, the Bank of England being forced by law to take silver henceforth in payment in the same way as gold is accepted now by that establishment. So little value do we attach to the predilection of the public for the one or the other metal or to their attitude towards the new silver coin, that the downright refusal to accept it in payment would prove *nothing* to us. England is the country *par excellence* of the cheque and the banknote system, and whether, therefore, the four-shilling piece actually circulates or notes are issued thereon by the Bank of England comes practically to one and the same thing. Besides, we shall later on meet with a strange phenomenon indeed, the fact, we mean to say, that, after all, little, maybe no, silver at all, will be sent to the country, at all events will remain there long, because not gold, but *silver*, will be at a premium.

Without, however, anticipating what is to develop itself as a natural consequence of the constellation of things in general, we return to our former subject, and wish now to consider the new silver coin from an *international* point of view. Not taking, then, into account its position at home, we wish to deal with it as a piece of metal standing only on its intrinsic value, yet forming part of the British currency, and to be estimated, in consequence thereof, on the basis of gold. In

other words, suppose it is a four-shilling piece that we have before us, it remains to be seen what rôle this fifth part of a gold sovereign will in future play in the foreign currencies of the world.

Let us stop at this four-shilling piece, let us assume that such a coin has been created in England in accordance with the Latin Union, Germany, Holland, and the United States, which countries will, of course, then have all adopted the double standard on the present French basis, that is to say, 1 gold to 15 1/2 silver. What will, under these circumstances, the monetary situation of all these States be?

Why, a law will have to be passed to make the Mints of the bi-metallic Union accept henceforth silver for the free coinage of all comers at the following prices:—

At 222.22 francs in Paris, Rome, Brussels, etc.
 „ 180 marks „ Berlin.
 „ 106.67 florins „ Amsterdam.
 „ 88.88 florins „ Vienna*.
 All per kilo. fine.

And at 1.33 dollar in New York per ounce fine, while the price for the *English Mint* would be 60 7/8 d. per ounce standard.

In order, however, to do away with all scruples as to the readiness to accept the metal by the different Mints, and to have it worked off in a regular way**, it is

* The figure of 88.88 florins per kilo. fine is based on the coinage of the Franz-Joseph d'or, or piece of eight florins, which, in its turn, is of the same value as the twenty-franc piece. If, however, the nominal value of this coin were raised from 8 florins to 8 florins 10 kr., as this is, in fact, theoretically speaking, done in Austria, a parity of 90 fl. per kilo. fine would be arrived at. It is scarcely necessary to add that, eventually, the present eight-florin piece would entirely disappear from circulation, and would make room to new five and ten-florin pieces, struck on the basis of 1 to 15 1/2.

** The distinguished French writer *Leroy-Beaulieu*, for instance, believes in an irregular working of some of the Mints, on account of the abhorrence for silver displayed, so to say, everywhere which fact, he thinks, would induce people to resort to all sorts of tricks, in order to avoid the coinage of large sums of this metal. We mention this singular, and, it is scarcely necessary to add, quite erroneous view on the matter, to show what subtleties are put forward for the sole purpose, of course, of troubling the mind of the uninitiated public.

necessary to stipulate, at the same time, that the *National Banks* have to treat silver henceforth in the same manner as they do now gold, that is to say, to buy it over the counter from all comers at the Mint price, less coinage charges and, maybe, a small commission for loss of interest.

Suppose the Banks' charges were fixed by mutual agreement at two per mille, the prices to be paid by the different establishments, exclusive of the coinage charges, would be as follows:—

At the Bank of France. francs 221.78 per kilo.
 „ „ Reichsbank marks 179.64 „
 „ „ Netherlands Bank. . . . florins 106.46 „
 „ „ Austro-Hungarian Bank. „ 88.70 „
 „ „ United States Assay Office dollar 1.33 per ounce
 while the Bank of England would have to pay 60 3/4 d. per ounce standard.

With such regulations before us, the faculty to serve as full-valued money is assured to silver in all the countries of the bi-metallic Union in such a way that no irregularities can any more take place. Face to face with silver, gold will everywhere present itself as 1 to 15 1/2, and on this basis both metals will form but one money—the famous “*Electron*” of *Cernuschi*.

The direct consequence of such a state of things, it is clear, would be the *exact* parity of all the silver and all the gold coins of the different States among themselves. Whether, then, in fact, one were to arbitrate on gold or on silver would be all the same, and only the niceties of that peculiar business, by no means, however, the nature of the metal itself, still less its own, what may be called, commercial, position would have to be consulted, when the moving of metallic money from one country to the other came into question.

In order to show the full meaning of what we assert here, it is necessary to dwell a moment on the bullion or, rather, *gold points*. This term, it is known, designates the rate of exchange at which it pays to send gold abroad or to receive it from foreign countries, as the case may be. In other words, it is the *Mint-Par* between two places, to which have been added, or from

which have been deducted, the cost for transmitting bullion, and the mintage and other charges, so that the exchange in question includes all expenses that have to be considered on such occasions. The way of fixing the percentage of these expenses must naturally be more or less individual, as certain niceties of the bullion business come into play; yet the figures we give later on may be taken as pretty accurate under ordinary circumstances. In order to fully understand the working of the system, we give first the correct Mint-Pars, which, as a matter of course, are fixed and unalterable, being derived from the actual coinage of the gold pieces in circulation in the different countries coming here into question, and then the gold-points for importation and for exportation.

MINT-PARS

For France. . . .	25.22 fr.	to the pound.
» Germany. . . .	20.43 m.	»
» Holland	12.11 fl.	»
» America	4.86 doll.	»

GOLD-POINTS

	For importation	For exportation
For France	25.35 fr.	25.12 fr.
» Germany	20.53 m.	20.32 m.
» Holland	12.17 fl.	12.02 fl.
» America	4.90 doll.	4.83 doll.

This is how the case presents itself with regard to gold; it now remains to be seen what will happen when silver is admitted into the monetary systems of the different countries, or, to be more correct, placed on the former footing in some of them, corrected with regard to its coinage in others *, and made full legal

* The *United States of America* would have, for instance, to withdraw the Bland dollars, coined at the ratio of 1 to 16, or at a silver price of 50¢, and to replace them by a new piece, based on the French system, that is to say, weighing 400 grains. *Holland*, whose actual bi-metallic system reposes on a ratio of 1 to 15 5/8, equal to a silver price of 60 3/8d., would have to give way as well and to raise the weight of her ten florin pieces from 6.72 to 6.774 grammes. In principle, both countries have already declared their willingness to reform their monetary systems, provided, of course, a general agree-

tender where it up to now did not exist, namely in *England*. Why, the effect would be precisely the same as with gold, that is to say the Mint-Pars and the bullion-points would work out exactly—let it be well understood, *exactly*—at the same figures as those before us. Whether then, you would work, for instance, with New York on gold or on silver, the parity would always be 4.86 dolls. to the pound sterling and the bullion points 4.90 or 4.83, as the case might be. It may be that, as we said before, the niceties of the business would involve now a preference for gold, and then for silver, but, on the whole, both metals would certainly be considered alike and would be moved to and fro, exactly as we see it now going on with gold alone.

The term *gold-point* would in fact henceforth cease, at least that of *silver-point* would just as much be employed for specie movements, and, in any case, be fully at par with it. If we say here *at par* we are not quite sure that the scale may not even turn in favour of the *white* metal, and here is our reason for it.

The English *four-shilling piece* has, at the time we have in view, been created; it is a handsome, brand-new coin, struck on the basis of 1 gold to 15 1/2 silver, that is to say, a piece weighing 378.7 grains, * of the usual British standard, 0.925 fine, and stands for full legal tender money, in the United Kingdom, in Australia, in the Transvaal, in Malta, in the Cape of Good Hope, and in a number of other colonies more or less favouring now the use of silver money. It is at

ment is come to. As to *Germany*, a new coin of five marks on the basis of 1 to 15 1/2, that is to say weighing 30.80 grammes would have to be struck. See with regard to this country the proposals of Mr. Dechend, referred to later on.

* The sovereign weighs 123.274 grains, 0.916 2/3 fine, equal to 113.001 grains fine, the four-shilling piece would, therefore, have to contain 350.335 grains fine, or at the usual fineness of 0.925, have to weigh 378.7 grains. The figures in grammes would be 24.533 gross, and 22.608 fine weight. Compared with the Indian system, the four-shilling piece would be equal to 33.93 annas, or almost exactly to 2 rupees 2 annas. A slight correction of the new British silver coin could of course be operated here, in order to arrive at convenient figures, although this point is really of no great importance, mintage and other charges playing in this respect a far greater part than such niceties in the actual weight of the pieces in question.

parity with the similar coins of the countries of the Latin Union, of Germany, of the United States, of Holland, etc., and may be converted without loss whatever, anyday into their monies, based as they are on the same metal, at the same ratio between gold and silver, and kept in circulation on the same footing. In other words, it is excellent money at home, international coin in the fullest and best acceptance of the term, and last, but not least, it forms the exclusive money in the East; first and foremost in the British possessions of India, then in China, in Japan, in the Straits Settlements, and in quite a host of other countries. The demand for it, coming, so to say, from all parts, would then be enormous, regular, and, of course, lasting; and, under these circumstances, silver could not but command a small premium; for who would part with it otherwise, in face of this peculiar situation which secures to all the metal offered for sale a fixed price under which it can never fall, while the widespread and eager demand might easily keep the quotation a fraction above the Mint level.

Here we have, in fact, before us one of the most singular phenomena that can be imagined, and which deserves the study of all those who take an interest in the question. At first sight, it seems almost incredible that the despised and depreciated white metal, the price of which, not many years ago, descended to about 47d., should rise above the so-called par of 60 7/8d, and yet this will, this *must*, happen, if an agreement is arrived at by the Great Powers, provided, of course England is amongst them.

We lay stress on the words of *course*, as we attach the greatest importance to the adherence of this country—nay, make it a special point not to undertake anything in view of a settlement of the question in the way indicated *without England*. Not, that we think the Latin States, Germany, and America not strong enough by themselves to form a bi-metallic union, capable of dictating the future price of silver all over the world, and to maintain it at a pretty steady level for some time to come, but that we foresee mischief—that, “we smell a rat”—if it were done.

The fact of the matter is, that the position of the white

metal finds itself at this moment gravely endangered. Let things take their course, and you will see what the end of all this will be. People get weary of the deranged state of their monetary systems, and rightly, too. What is going on is downright shameful. Hundreds of million sterling of silver coins, * of full legal tender force circulate, not as it should be, at their intrinsic value, but according to what is stamped upon them, and what is equal at the present hour to a seignorage of 45 per cent. A seignorage of *fifteen per cent!* And this is not upheld in Turkey or in Portugal, where the monetary history abounds in tricks of this kind, but in France, in Germany, in Holland, in the United States, in fact, everywhere. Why, this is nothing more nor less than issuing debased money, and if the coinage of the principal Mints coming here into question has been stopped now, this fact honours the sense of fair-play of the respective parties, but does not hinder that millions of silver pieces issued formerly, actually circulate at their full nominal value, never mind what the price of the metal they are coined from may be in the market.

Then, look at the position the fractional currency finds itself in. It is quite true, that legislature assigned to it a minor place in the monetary systems of the different countries, but never was it intended to issue money of *that* sort, at least not in the leading States.

* On a former occasion we have estimated the actual circulation of full-valued silver money in the principal States as follows:—In France, at 3,000 million francs, of which about 1,150 millions held by the Banque de France; in Belgium at 300 million francs; in Holland at 140 million florins, of which about 90 millions in the Netherlands Bank; in Germany at 470 million marks; in Spain, at 330 million pesetas; in Roumania at 80 million francs; in Switzerland at 50 million francs; in Italy at 175 million lire, held by the different banks of issue, which shortly will be augmented by another 100 millions, to be taken principally from France; in the United States of America at 116 million dollars, to be increased by 2 millions per month. Our figures have now and then been taxed with exaggerations, especially as regards France and Belgium; on the other hand, several of the leading economists of the day have adopted them without the slightest correction. All circumstances considered, they cannot remain much behind the truth in some countries, while in others the very nature of the money in question must prove their utmost accuracy.

Why, as matters stand, the silver coin of England, so proud of her currency is, 22, we write, *twenty two per cent.* above its intrinsic value, that of Germany even 24 per cent. while the other countries scarcely present a more satisfactory feature.* Melancholy creeps upon us, if we read the reports of the parliamentary sessions, in the principal countries, carefully occupying themselves at all times, with the creation of the fractional currency, which by no means should be apt to be confounded with the current silver money and which especially must be defended against exportation. Why, you have hit it, here is a fine defence, indeed, against exportation, the bagatelle of some 25 per cent. seigniorage on such money of which in England alone about 18 million pounds sterling are circulating. Take up, once more, oh student of the monetary question, the endless discussions of the very niceties of money in your daily papers, read over again what Lord Sherbrooke, Professor Bonamy, Price and others have said on the "expansion of currency through the introduc-

* Here are the details of the coinage of the fractional currency in the leading countries :

	Ratio between gold and silver	Price per oz. stand
France.....	1 to 14.38	65 1/2 d.
Germany.....	1 ,, 13.45	67 3/5
England.....	1 ,, 14.20	66
Holland.....	1 ,, 15.13	62 5/16
America.....	1 ,, 14.95	63 1/16
Scandinavia.....	1 ,, 14.88	63 3/8
Portugal.....	1 ,, 14.10	66 7/8

These figures speak for themselves. Never was it intended to issue money of such base alloy. Before 1865 France and a number of other countries even had assimilated their subsidiary coinage to the current silver money, and renewed efforts were made, some years ago only, by the Banque de France amongst others to re-establish that practise which never should have been abandoned indeed. Germany used to strike the fractional pieces down to 1/6 thaler or to 1/4 florin at the same standard as the proper coin of the country; the United States did for a long while the same and England had up to the year 1816 adopted the price of 62d. per oz. as basis of the coinage of her fractional currency. What a sad tale do the above figures tell now, when silver barely quotes 52d. What excuse is there, we ask besides, to put up with such deplorable state of things.

tion of bi-metallism," on "fraudulent contrivances," on "palming off an inferior metal as of equal value with a superior one," and then compare with it the brutal goings on in the whole world, your own country * not excluded.

To return to our subject. The position of silver is, without the least doubt, compromised, and we pretend that the great countries cannot go on much longer as they did up to now. What then will they do? Why, to silver ** they no longer can cling; the double standard, it appears, is difficult, if not impossible to attain; no other course is, therefore, left open to them than to go over to the very enemy, to the gold system. To this, in fact, we must come at last. A frightful struggle for gold, not to fill the coffers of the National Banks, for *certain* exigencies, but for the very substitution of the single gold valuation for the defective present monetary system must be the natural result of all these efforts to oppose the establishment of universal bi-metallism. The United States, we feel quite sure, will

* The finest state of things with regard to the fractional currency question reigns in the British colonies of West India. There, excepting the Bahamas and British Honduras, the token money of the mother country forms the very currency and is legal tender money up to any amount. If this is madness, there is at least, as Shakespeare says, method in it.

** From time to time English economists take it into their heads that Italy or France, Germany or Holland, as the case may be, should abandon her present monetary system and adopt the single silver standard. We doubt whether any of these advisers have ever meditated upon the consequences such a step would be followed by, if, as it could scarcely be otherwise, the present price of silver of, say, 52d., were taken as the basis of the transaction they advocate. This is, in fact, how the situation would present itself in the countries which are aimed at by these currency doctors, that is to say, in France, Italy, Holland, and Germany:—

	Present gold parity	Future silver parity
Francs.....	25.22	29.60
Guilders.....	12.11	14.05
Marks.....	20.43	23.91

A mere glance at these figures, along with what they mean for the commercial intercourse of the said countries must suffice to put such voices to silence.

suspend the *Bland Bill* ere long, and *Holland* is already seriously contemplating the adoption of the gold standard, let alone *Belgium* and *Switzerland* which countries have since ever so long, openly declared their monometallic tendencies. That, under these circumstances, France cannot remain behindhand is too clear to be insisted upon here, the more so as Germany must recommence her silver sales if no satisfactory arrangement can be arrived at, so to say at once. Who, we ask, will buy up all the silver then becoming free? Why, even India and the East in general will get frightened at the aspect of things and whatever the end of the struggle may be, nothing but bad can result from it, and the triumph perhaps obtained in the long run by the one country cannot but be the ruin of others.

England, we think, should pause and take this state of things once more into consideration before refusing her aid in the silver question. Why, the sums at stake are simply stupendous and the crisis sure to come, if things are left to take their own course, must defy description, and it is on *England* principally that the consequences of a heavy decline in the price of silver must fall. Opinions may differ as to the extent of the losses that will be incurred by that country, but we think they will be tremendous. We have before us a carefully compiled statement showing that a sum of not less than 250 million pounds sterling of silver securities are held by *British subjects*, on which the actual loss, as shown in our pamphlet "*La Réhabilitation de l'argent*", published last year in Paris, comes at this present hour to about 38 million pounds sterling. It is all very fine that Mr. *Crump* in his late review on the position and prophecies of the bi-metallists treats this estimate as "a gratuitous assumption" on the ground that no depreciation in the value of a thing is a loss until that loss has been realised; in this special case we cannot accept that theory which otherwise has its *raison d'être*. Mr. *Crump* ought to know that in this special case the losses on silver securities, based as they are on the depreciation of the *white metal*, are not only *actual* losses, impossible to recover, but that they will and must, even *augment* if nothing is done

to improve the position of *silver*. As he is himself opposed to what we have called the *rehabilitation* of silver; we are of opinion that Mr. *Crump's* attack on that score falls completely to the ground, and that the reduced yield of the silver securities alluded to above coupled with the low price of the white metal fully constitute a loss of interest and capital which actually finds its expression in the lower level of their quotations. While we have here before us an impoverishment of fifteen per cent. in the shape of a depreciation of the property of British subjects, together with a reduction in the rate of interest, we find in another chapter belonging to this question, in the *Indian Budget*, an item of the same nature. It is a loss of not less than three million pounds sterling on the exchange of rupees, recurring every year and due to a very small extent only to the arbitrarily adopted price of 2 sh. per rupee, against a true parity of 1 sh. 10 5/8 d. and a *silver point* of at least 1 sh. 11 1/4 d., while the present rate of exchange moves only around 1 sh. 8 d.

From what precedes it is clear that the interest England has in the re-establishment of the old state of things is enormous, the more so as the disadvantages presenting themselves on this occasion are by no means so grave as certain writers wish us to believe. Whether in doing so, they themselves labour under the totally erroneous impression that a prejudice might arise to their country in any way or shape, or whether they only yield to the pressure of the opinion that nothing should be changed with regard to currency matters, we cannot say. So much is certain that the working of the bi-metallic system* is not fully under-

* Now, for instance can it for a moment be supposed that the ratio adopted by the bi-metallic Union will not everywhere else be respected. And yet Mr. *Crump* proves that this will be the case; that the ratio of 1 to 15 1/2 is false on that score, at any rate that it has never been real. And whom does he cite to back so adventurous an assertion? Nobody else than the *Portuguese delegate* at the last Monetary Conference in Paris who had come to the wonderful conclusion that, if the ratio of 1 to 15 1/2 had prevailed everywhere during this century, in Portugal it had not been so, as figures in hand he would show. Then come these astounding, these crushing figures—13 1/2 in 1800, 16 in 1822; 15 1/2 in 1835; 16 1/2 in 1847. In other words, here we are told that this mighty country withstood the influence of the price

stood in England, even by those who stand foremost in their attacks against it. Otherwise, such ideas, as that the country would be flooded by silver and drained of its gold could never have found their way from them to the public. The matter considered as it should be, it will rather turn out that nothing of the kind will, and can take place, and that if a predilection, or to make it more comprehensible, an *agio* for the one or the other metal will in future be established it will, as we have seen, not be on gold but on *silver*.

The discussion of this circumstance leads us to a new important point in the whole question which we will examine at once. Suppose there is, at a given moment, for some reason or other a premium paid on silver exceeding a certain percentage, will this fact not make the metal come back from the East to Europe? We do not think it will, as so much new silver coin can be taken from the circulation, that almost any demand may be satisfied at home and as the old, although light pieces * are equally there to serve that purpose.

of silver in London during 70 years and of Paris with a fixed coinage rate of 1 to 15 1/2, while the United States had to give in twice, in 1785 and 1834; Holland in 1840; while the nominal value of the Russian Imperial had to be raised from 5 roubles to 5 roubles 15 copecks; that of the Austrian Franz-Joseph d'or from 8 florins to 8 florins 10 kreutzers. And all this in obedience to the French bi-metallic law which did not allow, never mind where, on the whole face of the earth, the simultaneous working of two double standards with different ratios. That the Portuguese delegate did not know, what had really been going on in his own country from 1800 to 1854, when the country adopted the single gold valuation, that, with all the confusion reigning there without interruption up to that date and even later on, Portugal had legally been possessed of the single silver standard, in which figured, it is true, certain gold coins of constantly modified value, is not to be wondered at. But that a man of the stamp of Mr. Crump singles out such stuff, to base his attacks against the proper working of the bi-metallic system thereupon, is indeed characteristic. What notion of the subject he criticises so severely must he have in general, if he dishes so silly a story up to his readers in good earnest?

* A great number of the old silver pieces may, in fact, at a given moment, be melted down, as their deficiency of weight is fully compensated by a small percentage of gold contained in them. With all that, a substantial premium on the so-called par of silver, viz., the price of 60 7/8d., would have to be established, before coins of that

With all that, the idea to see silver coming back from India and China must be faced and has nothing revolting in it, provided again that *England* forms part of the bi-metallic Union.

If this were not the case—and now we approach the question, whether the establishment of such a Union *without* England would do—the fact of the East returning silver to Europe would indeed be of the greatest danger. Not, that we look upon the white metal in itself as money to be shunned; by no means, we continue to consider it as good as gold, but that we wish to see in any case a speculation *à la baisse* in the white metal avoided. And the exportation of silver against the importation of gold we look upon as such a speculation, which we would surely meet with, if the principal commercial country of the world, England, were to stand aloof, thus apparently proving to the world that it had not much faith in the arrangement entered into by the others and that, for its own part, it did not care at all for the metal. Suppose that all what were going on in the Mints of Europe and of the United States in this respect, were fair and correct, how would things present themselves in other countries? Why, in *India*, people would convert their rupee-paper into the sterling loans; they would repay the money borrowed in England at disastrous exchange rates and yielding now, all of a sudden, a wonderful remitting profit through the fall of the sterling rate; they would change the capital of quite a number of Anglo-Indian companies from Indian to English money; they would transfer money to England, buy mohurs and gold bars,* at present rare and dear, and

category could be sold in the shape of bar silver. In point of fact, silver coins, especially old-worn ones, would be the very last thing to be resorted to, if suddenly a large demand were to spring up for the white metal.

* We are of opinion that this movement should not be trifled with. Already, as matters stand, the importation of gold into India is large, and the demand for it continuous. In 1880, it came to £871,898, in 1881, to £980,335, and up to May 10 of this year as much £627,524 had been sent from London to that country. The idea of gold being coined there having to be excluded, the question now arises whether we have not before us here a means of investing savings, more convenient to a certain class of the population than the hoarding of silver, or whether the preference in certain payments in the interior

suddenly offered at some fifteen per cent. cheaper. *Japan*, where, not long ago the gold standard prevailed, would, favoured by the tremendous rise in silver, at once try to get back to it again, *Peru*, *Paraguay*, *Uruguay* and quite a host of American Republics, which nominally have all decreed the single gold standard without, of course, being able to get the metal required, therefore, in sufficient quantities, would immediately seize hold of the opportunity to attain their ends. *Mexico*, which a few weeks ago only has abolished the export duty on silver coming to 9.41 per cent., in order, it is said, to encourage the coinage of gold *hidalgos*, would not remain behindhand either, and all kinds of silver pieces, from the demonetised *piaster* of South America to the *Maria Theresien Thaler*, dug from the earth in the middle of Africa, would find their way to the European Mints, in exchange of so much gold with fifteen per cent. profit to the actual holder.

From all these manoeuvres to which would have to be added numerous exchanges of silver against gold securities on the German and Austrian Bourses, as well as on the London Stock Exchange, a position would arise which we have already characterised as a *speculation for the fall of silver*. How long would France, Germany and America be able to withstand such a movement, having England as a mere looker on her merchants, perhaps, all the while drawing millions and millions at a long date on India; her bankers converting rupees, piastres and taels into sterling as fast as they could—and her very jewellers, may be, inviting all their customers to profit of the circumstance, and to sell their silver plate to the *foreigners*, at a price,

of the country is really not given to the yellow metal. The whole affair wants elucidation, and we ourselves are inclined to take alarm at it, the more so as the high coinage charges in India are of a nature to turn the scale in favour of gold. Anyhow, are we not right in laying particular stress on a phenomenon of this kind, at a moment when the price of gold must appear almost unapproachable in India? By no means, we exclaim again, should *partial* bi-metallism be introduced, as thereby an artificial demand for silver would be created, enhancing its price, and enabling the holders thereof to exchange it, not as at present at a tremendous loss, but with a splendid profit, against gold.

fifteen per cent. higher than what it was worth a short while ago in the market.

With *England*, we repeat it, nothing has to be feared. Let the manoeuvres we speak of even take place, they lose from the very outset all their signification and may, without much harm, be carried on individually, while a general movement of those countries that are not included in the bi-metallie Union has not to be anticipated. On the contrary, we think that the example of England would at once decide *all*, or *nearly all*, the nations still wavering as to what monetary policy henceforth to adopt, to embrace *bi-metallism*. *India*, herself, might then perhaps be included in the Union, although at the present stage of the question we think that the movement in favour of the double-standard should be confined to the mother-country alone.

We cannot conclude the present treatise without speaking of certain palliatives coming from the highest quarters and aiming at the creation, first of all, of a scarcity of small media of exchange through the withdrawal of the small gold pieces and notes, and then the issue of a corresponding amount of silver money with full legal tender force. The author of these proposals, who is M. *von Dechend*, the President of the Reichsbank, and one of the highest authorities on monetary matters in Germany, wishes not to allow the free coinage of such money in his own country, at least not for the moment, but hopes that similar measures will be adopted elsewhere, so that an *international arrangement* may, in point of fact, only become a question of time. It is doubtless an *intermediary station* Mr. von Dechend wishes to arrive at, as long as nothing better can be got, and in such a sense the proposals deserve, indeed, the fullest attention of all concerned and ought to be closely studied. *England*, in particular, ought to be grateful for them, as the prospect of seeing the existing thaler pieces converted into a convenient coin of the mark-system at the ratio of 1 to 15 1/2 takes away the danger, that at any given moment millions of ounces of bar silver may be thrown again on the market to be sold at the best price obtainable. Yet, so far, we have not heard

that the German proposals have formed the special study of English economists. What little has appeared on the subject in the papers is of a nature that the least said upon it the best. Some of the London journals * have, in fact, so blundered on these very proposals, that the German and the French press could not but find great fault with them. The fact itself deserves to be mentioned, as the very way in which the question of bi-metallism is treated at the hands of some of the editors of the leading papers is fully thereby characterised.

At the same time, when the President of the German Reichsbank is busily engaged to get the silver question out of the deadlock it finds itself in already since a number of years, the *Italian Government* does not rest idle either. From that part the proposals of an increased coinage of silver pieces of the five-franc type is made to the members of the Latin Union, along with other concessions to be obtained from America. That project is now under consideration, in our opinion, however, without the least chance of success. If we are right informed—and we think we are—the proposal is even considered as fraught with danger, as certain States might perhaps seize the opportunity to propose at once the rupture** of the Latin convention

* To cite only one instance of what blunders have been committed in the English press on this occasion we single out the following passage from the *City Article of the Times* in the issue of 2nd May:—"The views on the currency question," says *Mr. Crump*, "now entertained in high quarters of Germany are in favour not only of stopping the free coinage of silver (*sic*) but of prohibiting the free coinage of gold." If such precious galimatias can find its way into one of the first papers of the country, if its very author is the pamphleteer who lectures so eloquently on the currency question, one may deal lightly indeed with the attacks coming from such quarters against the bi-metallic system and make little of the forces they muster up in the battle of standards.

** Nothing can be more erroneous than the idea that under such circumstances the loss arising from the demonetisation of silver would have to be borne by those who were possessed of the silver coin at the time when the decree was taking effect. The supposition that this however would be so comes from so high an authority as *Michel Chevalier*, whose error in this respect seems the more conspicuous, as the example of Holland and Germany was there all the while, to prove the very contrary of what he asserted. In 1849, in

which has to remain in force for three years more to come. All circumstances considered, we, for our own part, would like this very rupture, as thereby things could not but be precipitated and, above all, England would be forced into *immediate* action.

As long, in fact, as nothing of a grave character will happen, we fear this country will look on and not move in the question at all. The meantime may, however, profitably be employed to make propaganda in the great cities, to form bi-metallic committees, to write on the subject, to explain the nature and the working of the double standard and to destroy the many popular errors to be still met with nearly everywhere. Thus, when the moment to pronounce definitely on the question arrives the English public may at least be enlightened on it and pass judgement with full *connaissance de cause*. Much has already been attained in this respect; the *International Monetary Standard Association in London*, especially, has worked wonders, yet a good deal is still left to be done. Two things in particular we should like to see accomplished, so to say, at once—the question of bi-metallism should be forced upon the *scientific body* of England and introduced into *Parliament*. In the member for Liverpool, Mr. Williamson, the country possesses a warm friend of the double standard, a talented speaker, and a man otherwise thoroughly *à la hauteur de la situation*. At all events, the agitation, which, to continental minds at least, appears to be flagging, must be carried on as vigorously as ever, and the public at large must be aroused from their lethargy which is worse than open

fact, the Dutch Government had withdrawn the demonetised gold pieces at their full nominal value, while in 1871 the German Government did absolutely the same thing with regard to the silver coin of all denominations, declaring the remaining thaler pieces to be of an equivalent of three marks in gold, their intrinsic value before the depreciation of silver had set in. Besides, is not the precedent of Italy there, which country was allowed to coin 18 million francs in five-franc pieces in 1877 and 9 millions in 1878 with a sure profit of about 84. per ounce, that is to say, nearly fifteen per cent. As these pieces were, to a great extent at least, soon afterwards exported at their full nominal value to France and Belgium, the fact which we adduce for the sake of proof is too conclusive to be further insisted upon here.

enmity. Things had taken the same turn in France, five or six years ago, when a *Cernuschi*, arose and with his eloquence, his talent and his glowing enthusiasm for the cause of bi-metallism, began the campaign, at first, at home; then traversed the seas to carry the banner to the United States of America, lectured on the subject, wrote pamphlets on pamphlets in all languages, made proselytes in all countries, and founded in fact quite a school of his own, an event, which, whatever the end of the battle of standards may be, will mark an epoch in the financial history of our time.

And what did *Dr. Arendt*, of Berlin, do? When the interest of the currency question seemed to have completely died out in Germany and the triumph of the gold party at its very pinnacle, so that even the staunchest supporters of the while metal dispaired of seeing its rehabilitation ever placed on the order of the day again, he quietly set to worth and resumed, almost singlehanded, the struggle. Then appeared, first and foremost, his excellent books on the double standard, later on a series of newspaper articles and essays in periodicals—publications, it is true, not always written in the very best style, but so masterly constructed in their general disposition, so full of the finest arguments, and of such convictive power, that various of his fiercest antagonists were obliged to give in soon, and even men like the famous professor *Wagner* became converted. This done, he successfully attacked *Sætheer* and *Bamberger* in what then appeared their impregnable strongholds, and, to crown his edifice, he got a body of deputies, bankers, merchants and manufacturers together, in order to form with them the well-known *Verein für internationale Doppelwährung*—an association which displays an almost wonderful activity in spreading knowledge right and left in the country through all sorts of publications. Assisted by the regular issue of a bi-metallie newspaper, *Der Kampf um die Währung*, the "*Verein*" keeps the agitation up in the Fatherland in so lively a way that the surrounding countries, notably *Austria* and *Holland*, were equally aroused thereby from their slumber, and even hostile Belgium could not entirely escape its influence.

There, another champion of quite superior a, strength of whom we have already had occasion to speak, *Emile de Laveleye*, the eminent professor at the Liège University, keeps the battle up. Defeating his numerous antagonists at home and abroad with that rare force and talent peculiar of his own he appears now in the *Revue des Deux-Mondes*, of France, now in the *Contemporary Review* of England, now in the leading periodicals and newspapers of Germany or Belgium, always clever, ingenious, and displaying quite an astounding knowledge of matters and facts not easily, indeed, within the reach of a man almost living in retreat, at all events, to be considered as *déplacé* in face of the full steam working powers at play nowadays in the great centres of the world. Pondering over his works, you know not, indeed, what to admire most in him—his sway on the subject, his beautiful style, his familiarity with everything appertaining to the question, or coming otherwise under his consideration, or the soundness of his theories, whatever economical topic be touched upon. Well will fare, indeed, with such an authority at its head, that association formed for the establishment of universal bi-metallism only some weeks ago in *Belgium*, the seat of which is in *Brussels*, and to which belong a number of the leading men of the country. A hearty welcome to you, gentlemen, and may your example soon be followed in *France*, where the constitution of a bi-metallie committee is, in fact, already contemplated, and, without doubt, only a question of time.

And against this overwhelming majority of the best authorities of the day, against the countless manifestations of all classes of society, against this compact front of public opinion, it is thought that old fashioned prejudices, ignorance, custom, and all the other futile pretexes which are employed to hinder the development of bi-metallism can stand their own in *England*. Away with the idea! Maybe that years will elapse before the full necessity of a change in the monetary policy is realised in the leading circles of the country; the movement itself is there and cannot anymore be arrested.

Spirit of innovation, thou art a fool in sooth! Take

*then thy course, heedless of what deeply rooted prejudices
thou tramplest upon on this occasion, what lordly doc-
trines thou scatterest to the winds. Penetrate all classes
of the population, knock at the door of the statesmen,
the scholar, and the merchant—of the ruler and the ruled;
and, as thou goest thy way along, gather strength
everywhere, that this time thy victory may be definite,
complete, and to everybody's satisfaction!*



BY THE SAME AUTHOR
JUST PUBLISHED
ARBITRAGES ET PARITÉS

TRAITÉ PRATIQUE
DES
OPÉRATIONS D'ARBITRAGE

Sur lettres de change, fonds publics et matières d'or et d'argent avec les principales places de l'étranger.

CINQUIÈME ÉDITION
Complètement refondue et augmentée.

PARIS
J. LEQUIR ET C^e.

LONDON
EFFINGHAM WILSON

BERLIN
WALTHER ET APOLANT

Price, elegantly bound, 10 fr. or 8 sh. or 8 m.

The work, in its present form, does not only confine itself to the explanation of arbitrage business in all its details, but contains a full treatment of the *Monetary Question* as well. This circumstance enhances greatly the value of the *new* edition, which may be profitably consulted on all subjects having reference to the monetary systems of the whole world, to the *gold and silver points*, to the actual position of silver money and fractional currency, to the quotations of the precious metals in the different markets, to the coinage regulations of all the Mints and so on. Great care has, besides, been bestowed on the exposé of the Indian and Chinese currencies. The numerous details and the complete information contained in the chapters referring to *Bombay and Calcutta*, to *Hongkong and Shanghai*, will be found of great use to all bankers and merchants trading with the East.

Printed by Schiller, Patented, 10 and 11, Faubourg Montmartre.

**END OF
TITLE**